

MINUTES OF THE MEETING
OF THE
BOARD OF DIRECTORS

THE STATE OF TEXAS §

COUNTY OF DENTON §

SMILEY ROAD WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2 §

The Board of Directors (the "Board") of Smiley Road Water Control and Improvement District No. 2 (also sometimes referred to herein as the "District") met in special session, open to the public, at 2595 Dallas Parkway, Suite 101, Frisco, Texas 75034, an office outside the boundaries of the District, on Tuesday, January 20, 2026, at 8:15 a.m., and the roll was called of the members of the Board to-wit:

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Julie Fernandez	President
Linda Baker	Vice President
Britt Dean	Secretary
Lawrence A. Cates	Assistant Secretary
Vacant	Assistant Secretary

All members of the Board were present at the commencement of the meeting with the exception of Director Fernandez who arrived later as noted. Also present were Mr. Scott Norris of Land Advisors, Ltd.; Mr. Jason Frey, P.E. and Mr. Adam Claycombe, P.E. of BGE, Inc.; Ms. Brandi Galindo of Dye & Toverly, LLC, the District's Bookkeeper; Ms. Sarah Landiak, attorney, and Ms. Genny Lutzell, paralegal, of Winstead PC.

1. Call to Order. The meeting was called to order at 8:30 a.m., and evidence was presented that public notice of such meeting had been given as required by law.

2. Public Comments and Communications. After noting that there were no members of the public present at the meeting, Director Baker moved that the Board close the public comment session of the agenda. Director Dean seconded said motion, which carried unanimously.

3. Resignation of Director. Ms. Landiak noted that Mr. John Sitzer has relocated and is no longer eligible to serve on the Board of Directors. Following a discussion, Director Dean moved that the Board accept the resignation of John Sitzer. Director Dean seconded said motion, which carried unanimously.

4. Minutes of December 2, 2025 Board Meeting. Following a discussion, Director Baker moved that the Board approve the Minutes of the December 2, 2025 Board of Directors meeting, as presented. Director Dean seconded said motion, which carried unanimously.

Director Fernandez arrived at this time.

5. Engineer's Report. Mr. Frey next reviewed the Engineer's Report prepared by BGE, a copy of which is attached hereto as Exhibit "A". Next, the Board reviewed drone coverage of improvement projects currently underway within the District. Following a review of all pay applications, change orders set forth on the report, BGE recommended that the Board concur with the approval of all, as submitted. Next, the Board reviewed the following recommendations for award of bids:

(i) Award construction bid for earthwork improvements for Green Meadows Tract 4A to DeLeon Excavating, LLC determined to be the lowest qualified bidder for a total amount of \$1,084,174.80; and

(ii) Award construction bid for Green Meadows Master Infrastructure Hardscape Plans (bids opened on 10/28/25) to Waterson Construction Group in the amount of \$1,583,480.10.

(iii) Award construction bid for Green Meadows Master Infrastructure Landscape Plans (bids opened on 10/28/25) to Superscapes in the amount of \$2,569,898.21;

(iv) Proposal for Construction, Administration and Project Representation of Green Meadows Tract 9A by BGE, Inc. in an amount of \$207,567.

Following a discussion, Director Cates moved that the Board (i) approve the Engineer's Report; (ii) concur with advertisement of bids and award of bids as recommended by BGE, Inc; (iii) approve all Pay Applications and Change Orders as presented; and (iv) approve the Proposal submitted by BGE for project representation for Green Meadows Tract 9A. Director Dean seconded said motion, which carried unanimously. The Board requested additional information regarding responsibilities of the Public Improvement District ("PID") versus the District and follow up regarding the status of easements. A discussion took place among the Board and District Consultants to provide an overview of responsibilities and cost sharing arrangements.

6. Developer's Report. No formal report was heard.

7. Cost Sharing Agreement for Operation and Maintenance Expenses. Ms. Landiak reviewed the provisions of the Agreement with the Board, noting that additional details are to be provided by the district engineer to identify costs related to the District versus the PID. Following a discussion, Director Cates moved that the Board approve the Cost Sharing Agreement as presented. Director Fernandez seconded said motion, which carried unanimously.

8. Bookkeeper's Report. Ms. Galindo presented to and reviewed with the Board copies of a Bookkeeper's Report, a copy of which is attached hereto as Exhibit "B". Following a discussion, Director Cates moved that the Board: (i) approve the Bookkeeper's Report as presented; and (ii) authorize payment of bills presented by checks drawn on the District's accounts as listed thereon. Director Baker seconded said motion, which carried unanimously.

9. Resolution Adopting Prevailing Wage Rate Scale for Construction Workers. Ms. Landiak presented to and reviewed with the Board a copy of said Resolution, a copy of which is attached hereto as Exhibit "C". Following a discussion, Director Baker moved that the Board adopt said Resolution. Director Fernandez seconded said motion, which carried unanimously.

10. Resolution Designating Depositories and Establishing Investment Accounts. Ms. Landiak presented to and reviewed with the Board a copy of said Resolution, a copy of which is attached hereto as Exhibit “D”. Following a discussion, Director Cates moved that the Board adopt said Resolution. Director Fernandez seconded said motion, which carried unanimously.

11. Order Calling Directors Election for May 2, 2026. Ms. Landiak presented to and reviewed with the Board a copy of said Order, a copy of which is attached hereto as Exhibit “E”. Following a discussion, Director Dean moved that the Board adopt said Order. Director Cates seconded said motion, which carried unanimously.

There being no further business to conduct, Director Dean moved that the meeting be adjourned at 9:36 a.m. Director Cates seconded said motion, which carried unanimously. The Board adjourned until further call.

APPROVED AND ADOPTED this 17th day of February, 2026.



Secretary

